

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING

HOUSING FOR THE ELDERLY (Section 202)

PROGRAM PERFORMANCE

STRATEGIC GOAL/OBJECTIVE	ACTUAL 2002	ESTIMATE 2003	ESTIMATE 2004
Strategic Goal A: Promote decent affordable housing.			
Discretionary BA (Dollars in Thousands)	\$551,924	\$540,188	\$541,815
FTE			
Headquarters	14	18	18
Field	184	181	183
Subtotal	198	199	201
S&E Cost (Dollars in Thousands)			
Personal Services	\$16,123	\$16,706	\$17,328
Travel	204	169	179
Transportation of Things	0	0	0
Rent, Communications & Utilities	0	0	0
Printing	9	15	16
Other Services	82	12	6
Supplies	5	5	5
Furniture & Equipment	0	0	0
Subtotal	16,423	16,907	17,534
Strategic Objective A.2: Improve the physical quality and management accountability of public and assisted housing.			
Indicator: The share of assisted and insured privately owned multifamily properties that meet HUD-established physical standards are maintained at no less than 92 percent.	92%	92%	92%
Indicator: Among households living in assisted and insured privately-owned multifamily properties the share that meets HUD's financial management compliance is maintained at no less than 95%.	95%	95%	95%
Strategic Objective A.3: Increase housing opportunities for the elderly and persons with disabilities.			
Indicator: The number of assisted living units that HUD supports through Assisted Living Conversion Program increases.	Completed 2 of the 10 projects	To complete an accumulative total 10 projects	To complete an additional 5 projects

NOTE: Additional measures of outcomes and the efficiency of the program are under development.

EXPLANATION OF PERFORMANCE

Performance/Means and Strategies

Funding in the amount of \$542 million in program funding and \$17.5 million in Salaries and Expenses for a total of \$559.5 million is requested to support strategic goal A: Promote decent affordable housing.

A total appropriation of \$774 million is proposed for Housing for the Elderly for fiscal year 2004. Included in this amount is an estimated \$26 million to renew expiring Project Rental Assistance Contracts (PRAC) under the elderly program. Of the total funds for the elderly, \$30 million will be used to continue the conversion of existing elderly projects to assisted living facilities, and a total of \$53 million for an expanded Service Coordinators/Congregate Services program is proposed to provide services in projects for the elderly and the disabled. Not less than \$470 thousand is to be transferred to the Working Capital Fund for information technology in fiscal year 2004. The effectiveness of the Housing for the Elderly Program was evaluated during the past year using the Office of Management and Budget's new Program Assessment Rating Tool (PART). The analysis resulted in low performance scores due, largely, to unclear long-term outcome goals, insufficient performance measures, the small numbers of units produced relative to need, higher costs compared to other assisted housing for this population, and long lead times to produce units for occupancy.

As a result of the analysis, the Department will examine policy changes or reforms within the program's current design to strengthen performance. The Department will identify major causes of delays in the housing production process and develop an action plan with milestones to improve performance. The plan will include specific long-term goals with outcome measures and annual performance goals that track the overall impact the program has on poor elderly individuals. Performance goals will include efficiency measures such as units produced annually, unit cost, and length of time to complete projects for occupancy from when funds are appropriated and awarded.

Housing for the Elderly Program. The supportive housing program was authorized by Section 202 of the Cranston-Gonzalez National Affordable Housing Act to provide eligible non-profit organizations with capital advances and rental assistance to provide housing for very low-income elderly or disabled individuals. The capital advances will be used to finance the acquisition, acquisition with rehabilitation, construction, reconstruction, or rehabilitation of housing intended for use as supportive housing for elderly people. Supportive housing is designed to meet the special physical needs of elderly individuals and to accommodate the provision of supportive services.

Capital Grants for Conversion to Assisted Living. These funds will be available to existing HUD elderly subsidized projects that convert some or all units to assisted living. Typical funding will cover basic physical conversion of existing project units, common and services space. These competitive grants will be available to existing HUD project owners who demonstrate strong commitment to: (1) serve eligible frail elderly and (2) promote resident autonomy, independence, choice, and control. Existing project owners must provide supportive services for the residents either directly or through a third party. Examples of both mandatory and optional supportive services (which will vary from state to state) would include: (1) 24-hour staff for protective oversight and personal care, (2) three meals per day, (3) housekeeping services, (4) personal counseling, and (5) transportation.

Service Coordinators. Section 808 of the Cranston-Gonzalez National Affordable Housing Act authorized the use of Service Coordinators within existing projects for the elderly or persons with disabilities. Sections 674 and 676 of the Housing and Community Development Act of 1992 expanded the universe of projects eligible to receive service coordinator assistance by authorizing funding for service coordinators in Section 202, Section 8 and Sections 221(d)(3) and 236 projects. The purpose of the Service Coordinators program is to enable residents who are elderly, or persons with disabilities to live as independently as possible in their own homes. The \$53 million set-aside for fiscal year 2004 for Service Coordinators/Congregate Services is authorized under the Housing for the Elderly program. Housing for Persons with Disabilities program projects are also eligible for funding within the overall total.

Service Coordinator funds pay the salary and fringe benefits of a Service Coordinator and cover related program administrative costs. The primary responsibility of a Service Coordinator is to help link residents of eligible housing with supportive services provided by community agencies. The Service Coordinator may also perform such activities as providing case management, acting as an advocate or mediator, coordinating group programs, or training housing management staff.

Congregate Housing Services Program (CHSP). This program was authorized by the Housing and Community Development Amendments of 1978 to provide 3- to 5-year grants to fund services for eligible residents of Public Housing and Section 202 Housing for the Elderly or Handicapped. The intent was to avoid costly and premature or unnecessary institutionalization of individuals and to reduce Government outlays for institutional care. The program was revised in 1992 to add other assisted housing programs.

The CHSP grant from HUD, in conjunction with grantee match and participant fees, subsidizes the cost of supportive services that are provided on-site and in the participant's home. Such services may include congregate meals, housekeeping, personal assistance, transportation, personal emergency response systems, case management, and preventative health programs. HUD requires that each program includes a Service Coordinator and that each makes at least one hot congregate meal available every day to participants. Eligible participants are residents of eligible housing who are frail (i.e., have difficulty performing three or more activities of daily living) or are persons with disabilities age 18 or older.

CHSP funds allow residents of subsidized housing to afford supportive services that enable them to continue living as independently as possible in their homes for as long as possible. Without this program, most of the low- and very low-income participants would have no choice but to relocate to a facility that provides a higher level of care, such as a nursing home, to meet their daily living needs.

Resource Management Information

The FTE increased for fiscal years 2003 and 2004 to support strategic goal and objectives.